

Union Calendar No. 158

103D CONGRESS  
1ST SESSION

**H. R. 2840**

[Report No. 103-286]

**A BILL**

To amend title 17, United States Code, to establish copyright arbitration royalty panels to replace the Copyright Royalty Tribunal, and for other purposes.

OCTOBER 12, 1993

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

# Union Calendar No. 158

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2840

[Report No. 103-286]

To amend title 17, United States Code, to establish copyright arbitration royalty panels to replace the Copyright Royalty Tribunal, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

AUGUST 3, 1993

Mr. HUGHES (for himself and Mr. FRANK of Massachusetts) introduced the following bill; which was referred to the Committee on the Judiciary

OCTOBER 12, 1993

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on August 3, 1993]

---

## A BILL

To amend title 17, United States Code, to establish copyright arbitration royalty panels to replace the Copyright Royalty Tribunal, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2       *This Act may be cited as the “Copyright Royalty*  
3 *Tribunal Reform Act of 1993”.*

4 **SEC. 2. COPYRIGHT ARBITRATION ROYALTY PANELS.**

5       (a) *ESTABLISHMENT AND PURPOSE.*—Section 801 of  
6 *title 17, United States Code, is amended as follows:*

7           (1) *The section designation and heading are*  
8 *amended to read as follows:*

9 **“§ 801. Copyright arbitration royalty panels: estab-**  
10 **lishment and purpose”.**

11           (2) *Subsection (a) is amended to read as follows:*

12       “(a) *ESTABLISHMENT.*—*The Librarian of Congress,*  
13 *upon the recommendation of the Register of Copyrights, is*  
14 *authorized to appoint and convene copyright arbitration*  
15 *royalty panels.”.*

16           (3) *Subsection (b) is amended—*

17           (A) *by inserting “PURPOSES.—” after*  
18 *“(b)”;*

19           (B) *in the matter preceding paragraph (1),*  
20 *by striking “Tribunal” and inserting “copyright*  
21 *arbitration royalty panels”;*

22           (C) *in paragraph (2)—*

23           (i) *in subparagraph (A), by striking*  
24 *“Commission” and inserting “copyright ar-*  
25 *bitration royalty panels”; and*

1                   (ii) in subparagraph (B), by striking  
2                   “Copyright Royalty Tribunal” and insert-  
3                   ing “copyright arbitration royalty panels”;  
4                   (D) in paragraph (3), by striking “In deter-  
5                   mining” and all that follows through the end of  
6                   the paragraph; and  
7                   (E) in paragraph (4) by striking “to deter-  
8                   mine” and all that follows through “chapter 10”  
9                   and inserting “and to determine the distribution  
10                  of such payments.”.

11               (4) By amending subsection (c) to read as fol-  
12               lows:

13               “(c) *RULINGS.*—The Librarian of Congress, upon the  
14               recommendation of the Register of Copyrights, may, before  
15               a copyright arbitration royalty panel is convened, make  
16               any necessary procedural or evidentiary rulings that would  
17               apply to the proceedings conducted by such panel.”.

18               (b) *MEMBERSHIP AND PROCEEDINGS.*—Section 802 of  
19               title 17, United States Code, is amended to read as follows:  
20               **“§ 802. Membership and proceedings of copyright arbi-**  
21               **tration royalty panels**

22               “(a) *COMPOSITION OF COPYRIGHT ARBITRATION ROY-*  
23               *ALTY PANELS.*—A copyright arbitration royalty panel shall  
24               consist of 3 arbitrators selected by the Librarian of Congress  
25               pursuant to subsection (b).

1       “(b) *SELECTION OF ARBITRATION PANEL.*—Not later  
2 than 10 days after publication of a notice initiating an  
3 arbitration proceeding under section 804, and in accord-  
4 ance with procedures specified by the Register of Copy-  
5 rights, the Librarian of Congress shall, upon the rec-  
6 ommendation of the Register of Copyrights, select 2 arbitra-  
7 tors from lists of arbitrators provided to the Librarian by  
8 parties participating in the arbitration and by professional  
9 arbitration associations or such similar organizations as  
10 the Librarian shall select. The 2 arbitrators so selected shall,  
11 within 10 days after their selection, choose a third arbitra-  
12 tor from the same lists, who shall serve as the chairperson  
13 of the arbitrators. If such 2 arbitrators fail to agree upon  
14 the selection of a third arbitrator, the Librarian of Congress  
15 shall promptly select the third arbitrator.

16       “(c) *ARBITRATION PROCEEDINGS.*—Copyright arbitra-  
17 tion royalty panels shall conduct arbitration proceedings,  
18 in accordance with such procedures as they may adopt, for  
19 the purpose of making their determinations in carrying out  
20 the purposes set forth in section 801. The arbitration panels  
21 shall act on the basis of a fully documented written record,  
22 prior decisions of the Copyright Royalty Tribunal, prior  
23 copyright arbitration panel determinations, and rulings by  
24 the Librarian of Congress under section 801(c). Any copy-  
25 right owner who claims to be entitled to royalties under

1 *section 111, 116, or 119, or any interested copyright party*  
2 *who claims to be entitled to royalties under section 1006,*  
3 *may submit relevant information and proposals to the arbi-*  
4 *tration panels in proceedings applicable to such copyright*  
5 *owner or interested copyright party, and any other person*  
6 *participating in arbitration proceedings may submit such*  
7 *relevant information and proposals to the arbitration panel*  
8 *conducting the proceedings. The parties to the proceedings*  
9 *shall bear the entire cost thereof in such manner and pro-*  
10 *portion as the arbitration panels shall direct.*

11       “(d) *REPORT TO THE LIBRARIAN OF CONGRESS.—Not*  
12 *later than 180 days after publication of the notice initiat-*  
13 *ing an arbitration proceeding, the copyright arbitration*  
14 *royalty panel conducting the proceeding shall report to the*  
15 *Librarian of Congress its determination concerning the roy-*  
16 *alty fee or distribution of royalty fees, as the case may be.*  
17 *Such report shall be accompanied by the written record,*  
18 *and shall set forth the facts that the arbitration panel found*  
19 *relevant to its determination.*

20       “(e) *ACTION BY LIBRARIAN OF CONGRESS.—Within 60*  
21 *days after receiving the report of a copyright arbitration*  
22 *royalty panel under subsection (d), the Librarian of Con-*  
23 *gress, upon the recommendation of the Register of Copy-*  
24 *rights, shall adopt or reject the determination of the arbitra-*  
25 *tion panel. The Librarian shall adopt the determination of*

1 *the arbitration panel unless the Librarian finds that the*  
2 *determination is arbitrary. If the Librarian rejects the de-*  
3 *termination of the arbitration panel, the Librarian shall,*  
4 *before the end of that 60-day period, and after full examina-*  
5 *tion of the record created in the arbitration proceeding,*  
6 *issue an order setting the royalty fee or distribution of fees,*  
7 *as the case may be. The Librarian shall cause to be pub-*  
8 *lished in the Federal Register the determination of the arbi-*  
9 *tration panel, and the decision of the Librarian (including*  
10 *an order issued under the preceding sentence). The Librar-*  
11 *ian shall also publicize such determination and decision in*  
12 *such other manner as the Librarian considers appropriate.*  
13 *The Librarian shall also make the report of the arbitration*  
14 *panel and the accompanying record available for public in-*  
15 *spection and copying.*

16       “(f) JUDICIAL REVIEW.—Any decision of the Librar-  
17 *ian of Congress under subsection (e) with respect to a deter-*  
18 *mination of an arbitration panel may be appealed, by any*  
19 *aggrieved party who would be bound by the determination,*  
20 *to the United States Court of Appeals for the District of*  
21 *Columbia Circuit, within 30 days after the publication of*  
22 *the decision in the Federal Register. If no appeal is brought*  
23 *within such 30-day period, the decision of the Librarian*  
24 *is final, and the royalty fee or determination with respect*  
25 *to the distribution of fees, as the case may be, shall take*

1 *effect as set forth in the decision. The pendency of an appeal*  
2 *under this paragraph shall not relieve persons obligated to*  
3 *make royalty payments under sections 111, 115, 116, 118,*  
4 *119, or 1003 who would be affected by the determination*  
5 *on appeal to deposit the statement of account and royalty*  
6 *fees specified in those sections. The court shall have jurisdic-*  
7 *tion to modify or vacate a decision of the Librarian only*  
8 *if it finds, on the basis of the record before the Librarian,*  
9 *that the Librarian acted in an arbitrary manner. If the*  
10 *court modifies the decision of the Librarian, the court shall*  
11 *have jurisdiction to enter its own determination with re-*  
12 *spect to the amount or distribution of royalty fees and costs,*  
13 *to order the repayment of any excess fees, and to order the*  
14 *payment of any underpaid fees, and the interest pertaining*  
15 *respectively thereto, in accordance with its final judgment.*  
16 *The court may further vacate the decision of the arbitration*  
17 *panel and remand the case for arbitration proceedings in*  
18 *accordance with subsection (c).*

19 “(g) ADMINISTRATIVE MATTERS.—

20 “(1) DEDUCTION OF COSTS FROM ROYALTY  
21 FEES.—The Librarian of Congress and the Register of  
22 Copyrights may, to the extent not otherwise provided  
23 under this title, deduct from royalty fees deposited or  
24 collected under this title the reasonable costs incurred  
25 by the Library of Congress and the Copyright Office



1       under this chapter. Such deduction may be made be-  
 2       fore the fees are distributed to any copyright claim-  
 3       ants.

4               “(2) POSITIONS REQUIRED FOR ADMINISTRATION  
 5       OF COMPULSORY LICENSING.—Section 307 of the Leg-  
 6       islative Branch Appropriations Act, 1994, shall not  
 7       apply to employee positions in the Library of Con-  
 8       gress that are required to be filled in order to carry  
 9       out section 111, 115, 116, 118, or 119 or chapter 10.”.

10       (c) ADJUSTMENT OF COMPULSORY LICENSE RATES.—  
 11       Section 803 of title 17, United States Code, and the item  
 12       relating to such section in the table of sections at the begin-  
 13       ning of chapter 8 of such title, are repealed.

14       (d) INSTITUTION AND CONCLUSION OF PROCEED-  
 15       INGS.—Section 804 of title 17, United States Code, is  
 16       amended as follows:

17               (1) Subsection (a) is amended to read as follows:

18               “(a)(1) With respect to proceedings under section  
 19       801(b)(1) concerning the adjustment of royalty rates as pro-  
 20       vided in sections 115 and 116, and with respect to proceed-  
 21       ings under subparagraphs (A) and (D) of section 801(b)(2),  
 22       during the calendar years specified in the schedule set forth  
 23       in paragraphs (2), (3), and (4), any owner or user of a  
 24       copyrighted work whose royalty rates are specified by this  
 25       title, established by the Copyright Royalty Tribunal before

1 *the date of the enactment of the Copyright Royalty Tribunal*  
2 *Reform Act of 1993, or established by a copyright arbitra-*  
3 *tion royalty panel after such date of enactment, may file*  
4 *a petition with the Librarian of Congress declaring that*  
5 *the petitioner requests an adjustment of the rate. The Li-*  
6 *brarian of Congress shall, upon the recommendation of the*  
7 *Register of Copyrights, make a determination as to whether*  
8 *the petitioner has such a significant interest in the royalty*  
9 *rate in which an adjustment is requested. If the Librarian*  
10 *determines that the petitioner has such a significant inter-*  
11 *est, the Librarian shall cause notice of this determination,*  
12 *with the reasons therefor, to be published in the Federal*  
13 *Register, together with the notice of commencement of pro-*  
14 *ceedings under this chapter.*

15       “(2) *In proceedings under section 801(b)(2)(A) and*  
16 *(D), a petition described in paragraph (1) may be filed dur-*  
17 *ing 1995 and in each subsequent fifth calendar year.*

18       “(3) *In proceedings under section 801(b)(1) concerning*  
19 *the adjustment of royalty rates as provided in section 115,*  
20 *a petition described in paragraph (1) may be filed in 1997*  
21 *and in each subsequent tenth calendar year.*

22       “(4)(A) *In proceedings under section 801(b)(1) con-*  
23 *cerning the adjustment of royalty rates as provided in sec-*  
24 *tion 116, a petition described in paragraph (1) may be filed*  
25 *at any time within 1 year after negotiated licenses author-*

1 ized by section 116 are terminated or expire and are not  
2 replaced by subsequent agreements.

3       “(B) If a negotiated license authorized by section 116  
4 is terminated or expires and is not replaced by another such  
5 license agreement which provides permission to use a quan-  
6 tity of musical works not substantially smaller than the  
7 quantity of such works performed on coin-operated phono-  
8 record players during the 1-year period ending March 1,  
9 1989, the Librarian of Congress shall, upon petition filed  
10 under paragraph (1) within 1 year after such termination  
11 or expiration, convene a copyright arbitration royalty  
12 panel. The arbitration panel shall promptly establish an  
13 interim royalty rate or rates for the public performance by  
14 means of a coin-operated phonorecord player of non-dra-  
15 matic musical works embodied in phonorecords which had  
16 been subject to the terminated or expired negotiated license  
17 agreement. Such rate or rates shall be the same as the last  
18 such rate or rates and shall remain in force until the con-  
19 clusion of proceedings by the arbitration panel, in accord-  
20 ance with section 802, to adjust the royalty rates applicable  
21 to such works, or until superseded by a new negotiated li-  
22 cense agreement, as provided in section 116(b).”.

23       (2) Subsection (b) is amended—

24               (A) by striking “subclause” and inserting  
25               “subparagraph”;

1           (B) by striking “Tribunal” the first place it  
2           appears and inserting “Copyright Royalty Tri-  
3           bunal or the Librarian of Congress”;

4           (C) by striking “Tribunal” the second and  
5           third places it appears and inserting “Librar-  
6           ian”;

7           (D) by striking “Tribunal” the last place it  
8           appears and inserting “Copyright Royalty Tri-  
9           bunal or the Librarian of Congress”; and

10          (E) by striking “(a)(2), above” and insert-  
11          ing “subsection (a) of this section”.

12          (3) Subsection (c) is amended by striking “Tri-  
13          bunal” and inserting “Librarian of Congress”.

14          (4) Subsection (d) is amended—

15               (A) by striking “Chairman of the Tribunal”  
16               and inserting “Librarian of Congress”; and

17               (B) by striking “determination by the Tri-  
18               bunal” and inserting “a determination”.

19          (5) Section 804 is further amended by striking  
20          subsection (e).

21          (e) *REPEAL*.—Sections 805 through 810 of title 17,  
22          United States Code, and the items relating to such sections  
23          in the table of sections at the beginning of chapter 8 of such  
24          title, are repealed.

1       (f) *CLERICAL AMENDMENT.*—*The table of sections at*  
 2 *the beginning of chapter 8 of title 17, United States Code,*  
 3 *is amended by striking the items relating to sections 801*  
 4 *and 802 and inserting the following:*

*“801. Copyright arbitration royalty panels: establishment and purpose.*

*“802. Membership and proceedings of copyright arbitration royalty panels.”.*

5   ***SEC. 3. JUKEBOX LICENSES.***

6       (a) *REPEAL OF COMPULSORY LICENSE.*—*Section 116*  
 7 *of title 17, United States Code, and the item relating to*  
 8 *section 116 in the table of sections at the beginning of chap-*  
 9 *ter 1 of such title, are repealed.*

10      (b) *NEGOTIATED LICENSES.*—*(1) Section 116A of title*  
 11 *17, United States Code, is amended—*

12           (A) *by redesignating such section as section 116;*

13           (B) *by striking subsection (b) and redesignating*  
 14 *subsections (c) and (d) as subsections (b) and (c), re-*  
 15 *spectively;*

16           (C) *in subsection (b)(2) (as so redesignated) by*  
 17 *striking “Copyright Royalty Tribunal” each place it*  
 18 *appears and inserting “Librarian of Congress”;*

19           (D) *in subsection (c) (as so redesignated)—*

20               (i) *in the subsection caption by striking*  
 21 *“ROYALTY TRIBUNAL” and inserting “ARBITRA-*  
 22 *TION ROYALTY PANEL”;*

23               (ii) *by striking “subsection (c)” and insert-*  
 24 *ing “subsection (b)”;* and

1           (iii) by striking “the Copyright Royalty  
2           Tribunal” and inserting “a copyright arbitra-  
3           tion royalty panel”; and

4           (E) by striking subsections (e), (f), and (g).

5           (2) The table of sections at the beginning of chapter  
6           1 of title 17, United States Code, is amended by striking  
7           “116A” and inserting “116”.

8           **SEC. 4. PUBLIC BROADCASTING COMPULSORY LICENSE.**

9           Section 118 of title 17, United States Code, is amend-  
10          ed—

11           (1) in subsection (b)—

12                   (A) by striking the first 2 sentences;

13                   (B) in the third sentence by striking “works  
14                   specified by this subsection” and inserting “pub-  
15                   lished nondramatic musical works and published  
16                   pictorial, graphic, and sculptural works”;

17                   (C) in paragraph (1)—

18                           (i) in the first sentence by striking “,  
19                           within one hundred and twenty days after  
20                           publication of the notice specified in this  
21                           subsection,”; and

22                           (ii) by striking “Copyright Royalty  
23                           Tribunal” each place it appears and insert-  
24                           ing “Librarian of Congress”;

1           (D) in paragraph (2) by striking “Tribu-  
2           nal” and inserting “Librarian of Congress”;

3           (E) in paragraph (3)—

4                 (i) by striking the first sentence and  
5                 inserting the following: “In the absence of  
6                 license agreements negotiated under para-  
7                 graph (2), the Librarian of Congress shall,  
8                 pursuant to chapter 8, convene a copyright  
9                 arbitration royalty panel to determine and  
10                publish in the Federal Register a schedule of  
11                rates and terms which, subject to paragraph  
12                (2), shall be binding on all owners of copy-  
13                right in works specified by this subsection  
14                and public broadcasting entities, regardless  
15                of whether such copyright owners have sub-  
16                mitted proposals to the Librarian of Con-  
17                gress.”;

18               (ii) in the second sentence—

19                         (I) by striking “Copyright Roy-  
20                         alty Tribunal” and inserting “copy-  
21                         right arbitration royalty panel”; and

22                         (II) by striking “clause (2) of this  
23                         subsection” and inserting “paragraph  
24                         (2)”; and

1                   (iii) in the last sentence by striking  
 2                   “Copyright Royalty Tribunal” and insert-  
 3                   ing “Librarian of Congress”; and  
 4                   (F) by striking paragraph (4);  
 5           (2) in subsection (c)—  
 6                   (A) by striking “1982” and inserting  
 7                   “1997”; and  
 8                   (B) by striking “Copyright Royalty Tribu-  
 9                   nal” and inserting “Librarian of Congress”;  
 10           (3) in subsection (d)—  
 11                   (A) by striking “to the transitional provi-  
 12                   sions of subsection (b)(4), and”;  
 13                   (B) by striking “the Copyright Royalty Tri-  
 14                   bunal” and inserting “a copyright arbitration  
 15                   royalty panel”; and  
 16                   (C) in paragraphs (2) and (3) by striking  
 17                   “clause” each place it appears and inserting  
 18                   “paragraph”; and  
 19           (4) in subsection (g) by striking “clause” and in-  
 20           serting “paragraph”.

21 **SEC. 5. SECONDARY TRANSMISSIONS BY SUPERSTATIONS**  
 22 **AND NETWORK STATIONS FOR PRIVATE VIEW-**  
 23 **ING.**

24       Section 119 of title 17, United States Code, is amend-  
 25 ed—



1           (1) in subsection (b)—

2               (A) in paragraph (1) by striking “, after  
3               consultation with the Copyright Royalty Tribu-  
4               nal,” each place it appears;

5               (B) in paragraph (2) by striking “Copy-  
6               right Royalty Tribunal” and inserting “Librar-  
7               ian of Congress”;

8               (C) in paragraph (3) by striking “Copy-  
9               right Royalty Tribunal” and inserting “Librar-  
10              ian of Congress”; and

11             (D) in paragraph (4)—

12               (i) by striking “Copyright Royalty  
13               Tribunal” each place it appears and insert-  
14               ing “Librarian of Congress”;

15               (ii) by striking “Tribunal” each place  
16               it appears and inserting “Librarian of Con-  
17               gress”; and

18               (iii) in subparagraph (B) by striking  
19               “conduct a proceeding” in the last sentence  
20               and inserting “convene a copyright arbitra-  
21               tion royalty panel”; and

22             (2) in subsection (c)—

23               (A) in the subsection caption by striking  
24               “DETERMINATION” and inserting “ADJUST-  
25               MENT”;

1           (B) in paragraph (2) by striking “Copy-  
2           right Royalty Tribunal” each place it appears  
3           and inserting “Librarian of Congress”;

4           (C) in paragraph (3)—

5                 (i) in subparagraph (A)—

6                         (I) by striking “Copyright Roy-  
7                         alty Tribunal” and inserting “Librar-  
8                         ian of Congress”; and

9                         (II) by striking the last sentence  
10                        and inserting the following: “Such ar-  
11                        bitration proceeding shall be conducted  
12                        under chapter 8.”;

13                 (ii) by striking subparagraphs (B) and  
14                 (C);

15                 (iii) in subparagraph (D)—

16                         (I) by redesignating such sub-  
17                         paragraph as subparagraph (B); and

18                         (II) by striking “Arbitration  
19                         Panel” and inserting “copyright arbi-  
20                         tration royalty panel appointed under  
21                         chapter 8”;

22                 (iv) by striking subparagraphs (E) and  
23                 (F);

24                 (v) by amending subparagraph (G) to  
25                 read as follows:

1           “(C) *PERIOD DURING WHICH DECISION OF*  
 2           *ARBITRATION PANEL OR ORDER OF LIBRARIAN*  
 3           *EFFECTIVE.—The obligation to pay the royalty*  
 4           *fee established under a determination which—*

5                     “(i) *is made by a copyright arbitration*  
 6                     *royalty panel in an arbitration proceeding*  
 7                     *under this paragraph and is adopted by the*  
 8                     *Librarian of Congress under section 802(e),*  
 9                     *or*

10                    “(ii) *is established by the Librarian of*  
 11                    *Congress under section 802(e),*  
 12           *shall become effective as provided in section*  
 13           *802(f).”; and*

14                    (i) *in subparagraph (H)—*

15                             (I) *by redesignating such sub-*  
 16                             *paragraph as subparagraph (D); and*

17                             (II) *by striking “adopted or or-*  
 18                             *dered under subparagraph (F)” and*  
 19                             *inserting “referred to in subparagraph*  
 20                             *(C).”; and*

21                    (D) *by striking paragraph (4).*

22   **SEC. 6. CONFORMING AMENDMENTS.**

23           (a) *CABLE COMPULSORY LICENSE.—Section 111(d) of*  
 24   *title 17, United States Code, is amended as follows:*

1           (1) Paragraph (1) is amended by striking “,  
2           after consultation with the Copyright Royalty Tribu-  
3           nal (if and when the Tribunal has been constituted),”.

4           (2) Paragraph (1)(A) is amended by striking “,  
5           after consultation with the Copyright Royalty Tribu-  
6           nal (if and when the Tribunal has been constituted),  
7           from time to time prescribe” and inserting “from  
8           time to time prescribe”.

9           (3) Paragraph (2) is amended by striking the  
10          second and third sentences and by inserting the fol-  
11          lowing: “All funds held by the Secretary of the Treas-  
12          ury shall be invested in interest-bearing United States  
13          securities for later distribution with interest by the  
14          Librarian of Congress in the event no controversy  
15          over distribution exists, or by a copyright arbitration  
16          royalty panel in the event a controversy over such  
17          distribution exists.”.

18          (4) Paragraph (4)(A) is amended—

19                (A) by striking “Copyright Royalty Tribu-  
20                nal” and inserting “Librarian of Congress”; and

21                (B) by striking “Tribunal” and inserting  
22                “Librarian of Congress”.

23          (5) Paragraph (4)(B) is amended to read as fol-  
24          lows:

1           “(B) After the first day of August of each  
2           year, the Librarian of Congress shall, upon the  
3           recommendation of the Register of Copyrights,  
4           determine whether there exists a controversy con-  
5           cerning the distribution of royalty fees. If the Li-  
6           brarian determines that no such controversy ex-  
7           ists, the Librarian shall, after deducting reason-  
8           able administrative costs under this section, dis-  
9           tribute such fees to the copyright owners entitled  
10          to such fees, or to their designated agents. If the  
11          Librarian finds the existence of a controversy,  
12          the Librarian shall, pursuant to chapter 8 of this  
13          title, convene a copyright arbitration royalty  
14          panel to determine the distribution of royalty  
15          fees.”.

16          (6) Paragraph (4)(C) is amended by striking  
17          “Copyright Royalty Tribunal” and inserting “Li-  
18          brarian of Congress”.

19          (b) AUDIO HOME RECORDING ACT.—

20                 (1) ROYALTY PAYMENTS.—Section 1004(a)(3) of  
21          title 17, United States Code, is amended—

22                         (A) by striking “Copyright Royalty Tribu-  
23                         nal” and inserting “Librarian of Congress”; and

24                         (B) by striking “Tribunal” and inserting  
25                         “Librarian of Congress”.

1           (2) *DEPOSIT OF ROYALTY PAYMENTS.*—Section  
2           1005 of title 17, United States Code, is amended by  
3           striking the last sentence.

4           (3) *ENTITLEMENT TO ROYALTY PAYMENTS.*—Sec-  
5           tion 1006(c) of title 17, United States Code, is  
6           amended by striking “Copyright Royalty Tribunal”  
7           and inserting “Librarian of Congress shall convene a  
8           copyright arbitration royalty panel which”.

9           (4) *PROCEDURES FOR DISTRIBUTING ROYALTY*  
10          *PAYMENTS.*—Section 1007 of title 17, United States  
11          Code, is amended—

12                 (A) in subsection (a)(1)—

13                         (i) by striking “Copyright Royalty  
14                         Tribunal” and inserting “Librarian of Con-  
15                         gress”; and

16                         (ii) by striking “Tribunal” and insert-  
17                         ing “Librarian of Congress”;

18                 (B) in subsection (b)—

19                         (i) by striking “Copyright Royalty  
20                         Tribunal” and inserting “Librarian of Con-  
21                         gress”; and

22                         (ii) by striking “Tribunal” each place  
23                         it appears and inserting “Librarian of Con-  
24                         gress”; and

25                 (C) in subsection (c)—

1           (i) by striking the first sentence and  
2           inserting “If the Librarian of Congress  
3           finds the existence of a controversy, the Li-  
4           brarian shall, pursuant to chapter 8 of this  
5           title, convene a copyright arbitration roy-  
6           alty panel to determine the distribution of  
7           royalty payments.”;

8           (ii) by striking “Tribunal” each place  
9           it appears and inserting “Librarian of Con-  
10          gress”; and

11          (iii) in the last sentence by striking  
12          “its reasonable administrative costs” and  
13          inserting “the reasonable administrative  
14          costs incurred by the Librarian”.

15          (5) *ARBITRATION OF CERTAIN DISPUTES.*—Sec-  
16          tion 1010 of title 17, United States Code, is amend-  
17          ed—

18               (A) in subsection (b)—

19                   (i) by striking “Copyright Royalty  
20                  Tribunal” and inserting “Librarian of Con-  
21                  gress”; and

22                   (ii) by striking “Tribunal” each place  
23                  it appears and inserting “Librarian of Con-  
24                  gress”;

25               (B) in subsection (e)—

1           (i) in the subsection caption by strik-  
2           ing “COPYRIGHT ROYALTY TRIBUNAL” and  
3           inserting “LIBRARIAN OF CONGRESS”; and

4           (ii) by striking “Copyright Royalty  
5           Tribunal” and inserting “Librarian of Con-  
6           gress”;

7           (C) in subsection (f)—

8           (i) in the subsection caption by strik-  
9           ing “COPYRIGHT ROYALTY TRIBUNAL” and  
10          inserting “LIBRARIAN OF CONGRESS”;

11          (ii) by striking “Copyright Royalty  
12          Tribunal” and inserting “Librarian of Con-  
13          gress”;

14          (iii) by striking “Tribunal” each place  
15          it appears and inserting “Librarian of Con-  
16          gress”; and

17          (iv) in the third sentence by striking  
18          “its” and inserting “the Librarian’s”; and  
19          (D) in subsection (g)—

20          (i) by striking “Copyright Royalty  
21          Tribunal” and inserting “Librarian of Con-  
22          gress”;

23          (ii) by striking “Tribunal’s decision”  
24          and inserting “decision of the Librarian of  
25          Congress”; and



1                   (iii) by striking “Tribunal” each place  
2                   it appears and inserting “Librarian of Con-  
3                   gress”.

4   **SEC. 7. EFFECTIVE DATE AND TRANSITION PROVISIONS.**

5       (a) *IN GENERAL.*—This Act and the amendments  
6   made by this Act shall take effect on January 1, 1994.

7       (b) *EFFECTIVENESS OF EXISTING RATES AND DIS-*  
8   *TRIBUTIONS.*—All royalty rates and all determinations  
9   with respect to the proportionate division of compulsory li-  
10   cense fees among copyright claimants, whether made by the  
11   Copyright Royalty Tribunal, or by voluntary agreement,  
12   before the effective date set forth in subsection (a) shall re-  
13   main in effect until modified by voluntary agreement or  
14   pursuant to the amendments made by this Act.

15       (c) *TRANSFER OF APPROPRIATIONS.*—All unexpended  
16   balances of appropriations made to the Copyright Royalty  
17   Tribunal, as of the effective date of this Act, are transferred  
18   on such effective date to the Copyright Office for use by the  
19   Copyright Office for the purposes for which such appropria-  
20   tions were made.